Over inviocing in import by multinational Drug Companies

3097. SHRI M. A. BABY: Will the PRIME MINISTER be pleased to state:

(a) what are the names of Multinational drug companies against whom instances of over inviocing in imports came to the notice of Government;

(b) name of the company and name of drug or finished medicine involved in each case; and

(c) when each instance came to the notice of Government and what action has been taken against each so far?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (c) Information to the extent available, has already been furnished in part (a) of the statement referred to in reply to Rajya Sabha Unstarred Question No. 1664 answered on 1-8-1991.

Letters of VIP on drug issues

3098. SHRI M. A. BABY: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that letters from VIP on drug issues have not been acknowledged;

(b) what is the number of letters received from Members of Parliament after 1st April, 1991 which have not been acknowledged so far;

(c) when each letter was received and what is the reason for delay;

(d) what is the total number of letters received by Government during 1990 and 1991 which are still to be replied;

(e) whether it is a fact that Government have received complaints about certain officers;

(f) if so, what are the details of complaints received during 1989-90 and 1990-91 what is the nature of complaints and what action has been taken on each;

(g) whether Government have called explanation from any of these officials based on these complaints; and

(h) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (d) A number of letters have been received from Members and ex-Members of Parliament during the period in question on drug issues. In most cases replies have been sent to Members of Parliament and others are under examination. Replies will be furnished soon in these cases also.

(e) and (f) Yes, Sir, during the period 1989-90 and 1990-91 some complaints were received against certain offirers of the Department and its attached office relating to their conduct, irregularities/omissions in fixation of prices of drugs, foreign visits etc. Out of these one case has been finally closed and in the other cases final decision is yet to be taken.

(g) and (h) Certain clarifications were called from the officers which are being examined.

Assessment of M/s. Hoechst made by special team

3099. SHRI ANANT RAM JAISWAL: Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 650 given in the Rajya Sabha on 5th September, 1991 and state:

(a) whether it is a fact that assessment made by Special Team in the case of M/s. Hoechst is available with Government;

(b) if so, what are the main points due to which huge variation has merged between the assessment of Special Team and on review.

(l) whether it is also a fact that Government have not communicated the amount assessed for the period 1984—87 to the company;

(d) if so, the reasons therefor;

(c) when the assessment for this period was completed and when this was communicated to the company; and

(f) what steps were taken to recover the due amount?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) Yes, Sir.

(b) The main reasons that the Special Team took into account erroneous rates, quantities & period, did not work out the liability in the case of formulations also, as envisaged in terms of the Supreme Court's judgment, and allowed certain disputed set-offs, in the computation of the tentative liability of M/s. Hoechst.

(c) to (e) No, Sir. The liabilities for the period after 1-1-1984 were also communicated to the Company by the end of January 1991, in all the cases.

(f) In terms of the Order dated 8-3-1991 of the Bombay High Court, the Company is to be given a hearing and a speaking other is to be passed thereafter;

Hike in prices of drugs production by multinational drug companies

3100. SHRI R. S. NAIK: Will the PRIME MINISTER be pleased to state:

(a) what are the names of drugs produced by multinational drug companies whose prices have been hiked by Government due to Rupee devaluation;

(b) what is the name of each company;

(c) what are the names of imported inputs due to which price increase has been allowed and what was the price taken of each input in case of earlier and revised price of each drug; and

(d) what are the names of drugs based on which Government have fixed the prices of finished medicines and what price of bulk drug has been taken in each case?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) to (c) The prices of 54 bulk drugs were revised by the Government due to change in exchange rate of rupee against major foreign currencies on the basis of cost data available with the Government and in consultation with the BICP. In the DPCO 1987, there is no provision for separate price fixation for multinational companies and Indian companies. The imported inputs differ from drug to drug and manufacturer to manufacturer depending upon the stage of production and technology etc.

(d) The prices of ceiling packs of formulations based on 16 of these bulk drugs have already been notified in the official Gazette and the rest are under process of fixation. The notified prices of bulk drugs are taken into account for fixing the prices of formulations based on them.

Acute shortage of various formulations of Erythromycin

3101. SHRI M. A. BABY: Will the PRIME MINISTER be pleased to state:

(a) whether ti is a fact that there is acute shortage of various formulations of Erthromycin an important antibiotic for respiratory infections;

(b) whether the reasons attributable to the shortage are mainly the monopoly in production and import by its sole manufacturer M|s. Alembic;

(c) whether it is also a fact that higher import duty on TIOC enables the manufacturer to further his interest; and

(d) if so, what steps are contemplated by Government to do away, the monopoly of M/s. Alembic to make easy available of Erythromycin a reasonable rates?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) No general shortage of formulations of Erthromycin has come to the notice of the Government except instances of shortage of some branded formulations, in some localised areas.